

EXHIBIT 13

REDACTED

**(Unredacted copy filed
under seal)**

Transaction Status

We have reached a non-binding agreement with AT&T to acquire Xandr for REDACTED in cash consideration.

AT&T has committed to explore the transaction solely with us through December 15.

Confirmatory due diligence and negotiation of definitive transaction documents is in process, targeting signing within exclusivity.

Strategic Rationale

Current state: Microsoft Advertising is a ^{REDACTED} digital advertising business primarily built on Search (Bing) with the Microsoft Audience Network (MSAN) as a more recent and fast-growing solution for non-Search advertising.

The digital advertising ecosystem: More than 70 percent of digital advertising is bought and sold by machine algorithms known as Demand Side Platforms (DSPs) and managed by Supply Side Platforms (SSPs) powered by first-party data from buyers and sellers. Platforms who also own and operate consumer services (like Google and FB) can generate more efficiency in this ecosystem and weather business impacts from stricter privacy regulations and third-party cookie deprecation due to their large first-party data footprint. Those who don't are at a structural disadvantage in this marketplace.

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An acquisition of Xandr provides Microsoft Advertising with incremental assets to compete:

- 1) A globally deployed DSP that will expand Microsoft data and demand across the Open Web
- 2) An SSP used by over 2,200 premium publishers to manage and optimize advertising against their supply
- 3) Strong video and Connected TV assets and investments
- 4) A media platform which enables advertisers, publishers, and retail clients to buy and sell media in secure marketplaces and across the internet

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Xandr Overview

Company Overview

Global programmatic advertising marketplace that provides both supply and demand-side platforms and tools. AT&T acquired AppNexus in 2018, which was later rebranded to Xandr

- **Customers:** Notable customers include Disney, Discovery, Microsoft, Pandora, ViacomCBS, Wayfair, Kroger, The Home Depot, and WPP
- **Headquarters:** New York, NY, additional offices throughout the US, Europe, and APAC
- **Key People: Execs** - Mike Welch (EVP, Xandr), Ben John (CTO), Dave Osborn (SVP, Sales); **R&D** - Ron Lissack, Eric Hoffert, Joe Garsktka, Shreyas Prasad, Sam Seljan, Ben Kneen; **Sales** - Alex Chatfield, Jerome Underhill, Sarah Harms, Dylan McBride, Ulrik Morrell
- **Employees:** ~1,200
- **Acquisitions:** AT&T/AppNexus in Aug 2018 for \$1.6B, AppNexus/Yieldex in Mar 2015 (analytics provider), Xandr/Clypd in Oct 2019 (linear programmatic TV marketplace)

Scale and Value Drivers

- 2,200+ direct and 3rd party publishers
- 80+ DSP integrations
- 193K+ brands
- 500+ CTV direct and 3rd party publishers
- 40+ data providers
- 136B monthly digital impressions
- 33 Global Offices with in-market sales operations

Products and Services

- **Xandr Invest:** Buying platform that offers cross-screen buying (TV, Video, and Digital), targeting, measurement, and forecasting
- **Xandr Monetize:** Selling platform that includes ad server capabilities, yield analytics, monetization tools across channels and formats, and linear TV sell-side optimization
- **Xandr Curate:** Data marketplace that enables customers to create custom packages of supply & data across multiple publishers to sell programmatically to buyers on any DSP

Source: Company material, company website
 (1) OGS includes expenses related to content, contract services, data processing, and estimated depreciation from Capital Expenditures
 (2) Operating expenses include stock-based compensation and capitalized labor costs which are allocated to each segment based

Existing Financial Overview – Xandr/AT&T Estimate

Xandr has increased investments into TV and Video assets since being acquired by AT&T. This, combined with COVID, caused the decline in operating income CY18-20.

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Due Diligence Observations

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Integration Principles

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Value Drivers

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Buy Case P&L

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(1) Defined as revenue excluding traffic acquisition costs

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Value to Microsoft

REDACTED

Accretion / Dilution Analysis

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Market Value

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Asks, Proposed Terms, and Next Steps

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Trading Comparables

REDACTED

Transaction Comparables

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